

population of the United States—will account for 40 percent of the world's export opportunities. Some may see this developing world emergence as a shift away from American economic dominance to a zero-sum future in which their sunrise is our sunset. I see it a different way. I see it as a whole new world hungry for the goods and services American companies can provide. I see it as long-term sustainable prosperity for the U.S., if more of us get off our domestic duff and into global markets.

But to crack those markets, to translate that opportunity into American exports and American jobs, will take more than American ingenuity and enterprise. It's going to take a shift in government policy as profound as the technological revolution taking place around us.

So let's start with public policy. Just what government support and policy is necessary for the United States to be globally competitive?

Here, I'm going to depart from the prevailing wisdom that puts a pox on both Houses as well as 1600 Pennsylvania Avenue—by asserting there is a constructive role government must play when it comes to exports.

First, we need to keep and extend export financing. There are opportunities for export that entail unique risks, deals where commercial banks with their balance sheets rightly fear to tread alone. We need adequate government-backed export financing. We need the Ex-Im Bank and OPIC—the U.S. Overseas Private Investment Corporation—to step in where political risk, or competitive country government involvement inhibits our opportunity. Government financing in international markets is not a form of foreign aid, it is a competitive imperative.

Second, we've got to improve export advocacy. I know some of the folks in Washington have declared war on the Commerce Department. I want to propose something short of a scorched-earth solution. All of us want to see non-essential government functions eliminated—and yes, we want to see the fat trimmed on federal spending—but we need to preserve a cabinet-level Commerce or Trade Secretary to give voice and substance to global export advocacy and policy. We need to retain an International Trade Agency that helps U.S. companies the way other governments back our foreign competitors. And fortunately today we have a very effective Secretary of Commerce who provides real help in growing this country's exports.

Third, and this is key for many of the companies represented at this conference, we need more national export support for small business. Support that helps the company in the industrial park down the street find and sell to new customers around the world. What makes the American economy thrive is the little guy with the big idea—the seed from which great things grow. For most of our history, small business has been a home-grown affair. But that's changing: It's becoming possible in America to be an export entrepreneur.

For example, the U.S. Commercial Service with its regional offices across the U.S., and links to every U.S. Embassy, is helping small American firms make the foreign contacts that lead to foreign contracts; that turns entrepreneurship into global business.

If you are not using these resources today, you should be. I do.

If these are 3 ways government can help us—our government is also hurting us. We ought to demand that government apply to its actions the physicians' Hippocratic Oath: "First, do no harm."

I'll limit myself this morning to one example, I think the most egregious example, of the way government policy is crippling our competitiveness, costing us jobs and limiting

our growth: I'm talking about the impact of the old, Cold War-era export controls.

This is a case where bureaucracy simply can't keep pace with technology. It is a fact of life in the Information Age: Technology travels. The space between generations of technology is contracting, and the speed with which technology penetrates the marketplace is accelerating, making a mockery of borders and bureaucratic barriers of all kinds. In too many cases, export controls that limit U.S. firms, that keep us on the sideline, simply invite other countries to capture the market. It's a sad fact for those of us in the satellite and communications business that U.S. Government export controls constitute the single most significant competitive advantage our European competitors possess.

Ladies and gentlemen, that's wrong and it's got to change.

We've got to pass an Export Administration Act that clears away out-moded, antiquated export licensing that penalizes American companies.

Now, if we had a Congress filled with Toby Roths, this issue would be resolved tomorrow. But given the reality, we've got to keep educating, agitating, and pressing for change before the world passes us by. In just the 90s, these outdated export policies have cost my company several billion dollars and thousands of jobs. You and I must demand a new, realistic and competitive Export Administration Act.

So far I've focused on what government can and cannot do to promote export growth. But that brings me to my final issues this morning: The point where public policy ends and private sector responsibility begins.

Because the fact is, we can clear away counter-productive restraints and regulations and we can sustain and strengthen public sector assistance but there is a limit to what government can do, a line that separates what business must do for itself.

No policy, no program, no political fix can overcome a lack of American competitiveness. That's the responsibility of you and I, American management, and no one else.

And while there are some encouraging signs that American management is adapting and restructuring for global competitiveness, there is one significant indicator. I would submit, that says our house is not yet in order. Our problem is relatively weak investment in R&D, an important indicator that an enterprise is pursuing leading-edge and looking long-range. In 1994, the U.S. economy invested just 1.9 percent of GDP in civilian R&D. Our 1.9 percent compares to 3 percent for Japan and 2.7 percent for Germany: And remember in 1984, both of those countries were in recession.

While private investment would be aided by a permanent flat R&D tax credit, it is management's ultimate responsibility to invest, to train and to re-engineer our capabilities. Our shareholders, our customers and our employees will not, and should not, let us point the finger or pass the blame somewhere else. We simply must have the courage to challenge ourselves to change, and the conviction to invest to stay ahead of our global competitors.

And if this conference proves anything, it demonstrates there is plenty of courage and conviction right here in this room.

I know from talking to Toby Roth that there are companies in this room exploiting global economic opportunities to their advantage. No matter how many employees they may have, that's no small accomplishment. I cite and compliment all today that are on this path—in the spirit of challenge to all of us; A challenge to be aggressive and enterprising in making the global market your customers.

And that, ladies and gentlemen, is my message:

First, we must all recognize the growing importance of exports in our increasingly global economy—and that America's economic destiny is as an Export Superpower.

Second, we must translate that export imperative into modern export public policies out of Washington.

And third, businesses in America should be assuring their competitiveness, investing in their conviction and pursuing global markets.

WELCOME TO PRESIDENT JUAN CARLOS WASMOSY

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 24, 1995

Mr. LANTOS. Mr. Speaker, today Members of Congress will have the opportunity to meet with His Excellency Juan Carlos Wasmosy, President of the Republic of Paraguay, who is visiting the United States.

Mr. Speaker, President Wasmosy is the first civilian constitutional President of Paraguay in over half a century, and he has worked diligently to move his country and society along the path of democracy, social justice, and market economic development after years of the dictatorship of General Stroessner. As my colleagues know, the Stroessner regime permitted a number of leading Nazis, including Josef Mengele, to find refuge in Paraguay. I am delighted to report that under President Wasmosy important changes are being made in Paraguay's policies.

As my colleagues also know, terrorism has been a particular concern of mine. President Wasmosy has been a good ally in the effort to deal with Middle Eastern terrorists. Earlier this year, President Wasmosy courageously withstood pressure to release seven individuals arrested in Paraguay in connection with the bombing last year of the Jewish Community Center in Buenos Aires, Argentina, which resulted in the death of nearly 100 people. The Paraguayan courts ordered the extradition of these individuals to Argentina. For these actions, Bnai B'rith commended the Paraguayan Government.

Mr. Speaker, I commend President Wasmosy for his conscientious efforts to change the policies and the political culture of Paraguay. The institutionalized negative impacts of the Stroessner dictatorship have left a legacy that is difficult to eliminate. Paraguay still faces difficulties in dealing with international drug traffickers, and we in the United States must intensify our efforts to work with the government of President Wasmosy to eradicate this vicious scourge.

Mr. Speaker, I join my colleagues in welcoming to the Congress His Excellency Juan Carlos Wasmosy, President of the Republic of Paraguay.

CHARITABLE GIFT ANNUITY ACT

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 24, 1995

Mr. HYDE. Mr. Speaker, today I am introducing the Charitable Gift Annuity Antitrust